

18

AMENDMENT NO. 3 TO AGREEMENT
FOR DESIGN, PRINTING AND MAILING SERVICES

This amendment is made between the CITY OF MILPITAS, a municipal corporation of the State of California (hereinafter referred to as "City") and SAN JOSE WATER COMPANY (hereinafter referred to as "VENDOR").

RECITALS

WHEREAS, the parties entered into Agreement for design, printing and mailing services on July 7, 1999 and Amendment 2 dated Sept 4, 2001.

NOW THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties agree to amend the Agreement as follows:

1. Exhibit B, entitled "Compensation Manner and Amount, COST OF SERVICES, Item A, first sentence, reads "SJWC proposes a monthly fee of \$1,800 per month (base price) or \$21,600 per year to process up to 150,000 bills and notices" is amended to read:

"SJWC proposes a monthly fee of \$1,980 per month (base price) or \$23,760 per year to process up to 150,000 bills and notices"

Effective July 1, 2005, the monthly fee (base price) for bills and notices will be adjusted upward by the change in the Bay Area Consumer Price Index over the previous twelve months; the increase is limited to a maximum increase of 4%. If the Bay Area CPI Index is unchanged or negative there will be no adjustment to the fee.

2. Exhibit B, entitled "Compensation Manner and Amount, COST OF SERVICES, Item D, first sentence, reads "The annual cost for cash remittance processing based on an annual volume of 150,000 remittances is \$12,400" is amended to read:

"The annual cost for cash remittance processing based on an annual volume of 150,000 remittance is \$15,500"

Effective July 1, 2005, the annual fee for remittance will be adjusted upward by the change in the Bay Area Consumer Price Index increasing over the previous twelve months; the increase is limited to a maximum increase of 4%. If the Bay Area CPI Index is unchanged or negative there will be no adjustment to the annual fee.

3. The second sentence in Section 2 of agreement, entitled "Term" is amended to extend term of agreement from June 30, 2004 to June 30, 2007.

4. The Consultant agrees to maintain and pay for all insurance policies as stated in Section 11, entitled "Insurance" of the Agreement dated July 7, 1999, between San Jose Water Company and the City of Milpitas. The vendor shall provide the City with renewal certificates of the current policies upon the expiration of the current policy.
5. All other provisions of the Agreement shall remain in full force and effect.

DATE: _____

This Amendment is executed as of the date written above.

APPROVED BY:

CITY OF MILPITAS

CONSULTANT

BY: _____
City Manager

San Jose Water Company

APPROVED AS TO FORM

BY: _____
City Attorney

APPROVED AS TO CONTENT

BY: _____
Fiscal Services Manager

ATTEST

BY: _____
City Clerk